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Division of Environment
Curtis State Office Building
1000 SW Jackson, Suite 400
Topeka, KS 66612-1367



Phone: 785-296-1535
Fax: 785-296-8464
www.kdheks.gov

Robert Moser, MD, Secretary

Department of Health & Environment

Sam Brownback, Governor

November 27, 2012

Mr. Patrick J. Cassidy
Director, Environmental Services
Kansas City Board of Public Utilities
540 Minnesota Avenue
Kansas City, KS 66101

Re: KCBPU MATS Extension Request
Nearman Creek Power Station – Unit 1 (Source ID No.: 2090008)

Dear Mr. Cassidy:

The Kansas Department of Health and Environment (KDHE) Bureau of Air (BOA) recently received the supplemental information to your request for an extension of the Mercury and Air Toxics Standard (MATS) compliance deadline for the Kansas City Board of Public Utilities' (BPU's) Nearman Creek Power Station Unit 1 from April 16, 2015 to April 16, 2016.

As noted in prior correspondence, Section 112(i)(3)(B) of the Clean Air Act authorizes Kansas, as a state with an approved Title V program, to grant existing sources an additional year to comply with the promulgated April 16, 2015 deadline "if such additional period is necessary for the installation of controls."

Based on your compliance extension request and supporting information satisfying the requirements of 40 CFR 63.6(i)(6)(i)(A) and (B), KDHE authorizes a one-year compliance extension of the MATS Rule for Nearman Unit 1. The compliance extension is granted to provide BPU additional time to install the emission controls as listed and described in your supplemental submittal dated November 8, 2012.

The one-year compliance extension is granted with the following conditions:

1. The affected source covered by this extension is limited to BPU Nearman Unit 1.
2. BPU will remain committed to the project schedule for the Air Quality Controls (AQC) as described in your submittals dated October 12, 2012, and November 8, 2012, and in the figure below.
3. BPU will comply with the regulatory requirements, including emissions limits and operating limits, of the MATS Rule (40 CFR Part 63 Subpart UUUUU) by April 16, 2016.
 - Per your submittal dated November 8, 2012, "BPU understands that if the AQC equipment is not operational by April 16, 2016 (with the first year extension), then Nearman Unit 1 will not be available for operation until the project is complete."
 - BPU will take advantage of each opportunity, as appropriate, to shorten the project schedule.
 - BPU will complete on-site construction and installation and commence operation of emission control equipment by or before June 1, 2017, and conduct required performance testing no later than 180 days after startup.

4. Pursuant to Section 63.6(i)(11), BPU will provide KDHE with quarterly progress reports indicating whether the project and compliance schedule milestones have been met.
5. Pursuant to Section 63.6(i)(4)(i)(A), the conditions of this compliance extension will be incorporated into the respective Title V permit for the facility for which a compliance extension is granted.
6. This letter only grants extension of the compliance date for BPU Nearman Unit 1 by one year to April 16, 2016.

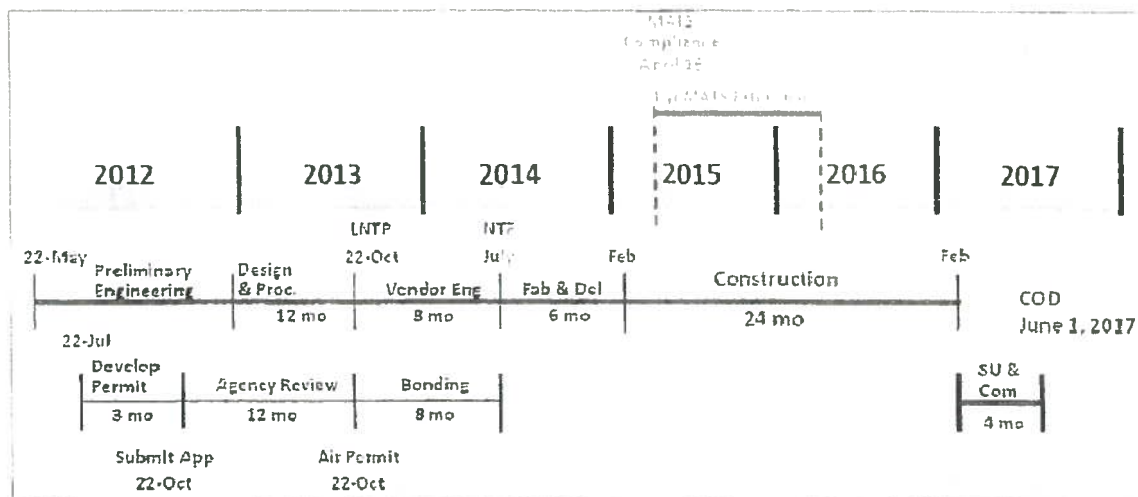


Figure: Project Schedule

Please feel free to contact Tom Gross at 296-1692 or TGross@kdheks.gov should you have questions regarding this compliance extension.

Sincerely,

John W. Mitchell, Director
Division of Environment
Kansas Department of Health and Environment

JWM:mdw

Copy: Rick Brunetti, Director, BOA
Tom Gross, Planning Section Chief, BOA
Russ Brichacek, Compliance Section Chief, BOA
Marian Massoth, Permits Section Chief, BOA
Joss Tapp, EPA Region 7